WEST VIRGINIA INFORMATIONAL LETTER

No. 90

October 26, 1993

TO: ALL INSURERS REQUIRED TO BE LICENSED IN WEST VIRGINIA

The West Virginia Department of Health and Human Resources has been experiencing problems from insurers and medical providers when they ask for medical records, or records of benefit payments on Medicaid recipients. Some insurers are requiring the Department of Health and Human Resources to provide signed release forms before supplying the requested information. In an effort to solve this problem Senate Bill 2 was passed on May 26, 1993.

This new legislation states "recipients of medical assistance under the Medicaid Program shall be deemed to have authorized all parties including, but not limited to, insurance companies and providers of medical care, to release to the Department of Health and Human Resources, information needed by the department to secure or enforce its rights as assignee." Therefore, an insurer cannot require the Department of Health and Human Resources to provide any type of release forms before supplying information on records pertaining to the coverage of any individual or information to the medical benefits paid on a claim made under any policy. Senate Bill 2 requires that the insurer provide the information when the Department of Health and Human Resources: (1) Requests it in writing, and (2) certifies that the individual upon whom the information is requested is either a (a) recipient of medical assistance or (b) an individual who is legally responsible for an applicant for or recipient of medical assistance. This legislation would affect policies such as, but not limited to Health, Life, Accident and Sickness, and Private Passenger Automobile Policies.

The Department of Health and Human Resources will be sending an insurance verification form which will ask the insurer to verify the insurance coverage and dates of eligibility as well as to obtain correct billing information. Information on dependent coverage may also be requested.

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Persons seeking additional information regarding the requirements under 9-5-11b should contact:

John R. Davidson, Sr., Director Consumer Service Division WV Insurance Commissioner 2019 Washington Street, East Charleston, WV 25305 (304) 558-3386

> Hanley C. Clark Insurance Commissioner